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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of

Telephone Number Portability

)  
) CC Docket No. 95-116  
) RM 8535  
)

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COMMENTS OF NEXTEL COMMUNICATIONS, INC.

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Date: September 12, 1995

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## **SUMMARY**

Nextel Communications, Inc. ("Nextel") files these comments in support of the Federal Communications Commission's ("Commission") tentative conclusion that telephone number portability is in the public interest. By eliminating an existing entry barrier into both the wireline and wireless telecommunications marketplace, number portability should increase competition, thereby benefitting consumers through more choices, lower prices and enhanced services.

These benefits can be achieved through the implementation of service provider number portability, allowing customers to change providers without changing their phone numbers, and through limited location portability, allowing customers to move within a limited geographic area (e.g., metropolitan area) without having to change their telephone numbers -- whether or not they change service providers. Both types of number portability promote competition. Number portability should be implemented in a manner that controls costs, minimizes adverse impacts on existing networks, conserves scarce telephone numbers, and allows for the interworking of administrative systems needed to support number portability.

Accordingly, Nextel submits that the development of a number portability technical solution should be accomplished through an industry-wide committee, guided by a framework established by the Commission. This should ensure a consistent number portability policy throughout the U.S. that encompasses all segments of the telecommunications industry -- wireline and wireless, incumbent and new entrant. The Commission should set a deadline for this

committee to craft a technical solution for number portability. Once the plan is established, the Commission can then set an implementation schedule and/or deadline.

Nextel supports a phase-in implementation plan. For example, number portability could be implemented first in higher demand metropolitan areas, followed by rural areas. This would ensure that number portability is first provided in those areas of greatest demand, and then expanded to nationwide availability. Interim or transitional methods of number portability -- that are not consistent with a final long-term portability solution -- are a waste of time and resources, and should not be pursued.

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**COMMENTS OF NEXTEL COMMUNICATIONS, INC.**

**I. INTRODUCTION**

Pursuant to Section 1.415 of the Rules of the Federal Communications Commission ("Commission"), Nextel Communications, Inc. ("Nextel") hereby respectfully submits these Comments in response to the Notice of Proposed Rule Making ("NPRM") in the above-referenced proceeding.<sup>1/</sup>

In the NPRM, the Commission tentatively concluded that telephone number portability is in the public interest because it "benefits consumers of telecommunications services and would contribute to the development of competition among alternative providers of local telephone and other telecommunications services."<sup>2/</sup> The Commission also tentatively concluded in the NPRM that it should "assume a leadership role in developing a national number portability policy."<sup>3/</sup>

Nextel generally supports the Commission's tentative conclusion that number portability is in the public interest and is within its jurisdiction. A uniform, nationwide number portability

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<sup>1/</sup> Notice of Proposed Rule Making, FCC 95-284, released July 13, 1995.

<sup>2/</sup> NPRM at para. 7.

<sup>3/</sup> *Id.*

solution will ease market entry by eliminating a barrier currently imposed upon new service providers.

Although long-term number portability is technically feasible, it is a complex undertaking which will require significant industry input. Thus, the Commission should allow the industry to develop a solution to ensure that number portability will be implemented in a manner that will control costs, minimize impact on the networks and North American Numbering Plan ("NANP") resources, and allow for the interworking of administrative systems needed to support number portability. An industry committee would ensure input from all segments, thereby avoiding the imposition of unworkable mandates on a wireless industry that is still in its developmental stages.

## **II. BACKGROUND**

Nextel is the largest provider of wide-area and traditional Specialized Mobile Radio ("SMR") services in the nation. In furtherance of its plan to create a nationwide, seamless digital wireless telecommunications service, Nextel recently completed a merger with OneComm Corporation, a leading provider of wide-area SMR services in the Pacific Northwest and Rocky Mountain states; Nextel acquired Motorola, Inc.'s 800 MHz SMR licenses; and Nextel received a multi-million dollar investment from the Craig O. McCaw family. These mergers, acquisitions and investments are landmark achievements toward Nextel goal of expeditiously implementing wide-area SMR systems for the mobile workforce throughout the Nation.

Nextel's participation in the Commission's numbering policy decisions began over two years ago in the wake of the resignation

of Bellcore as the NANP Administrator and its proposed assignment of 500 Service Access Codes ("SACs") for mobile users. Since then, Nextel has been a participant in several numbering proceedings affecting its customer service and marketing interests involving Chicago's 708 and 312 exhaust plans, the California 310/562 and 818 exhaust plans, and the 203 geographic split in Connecticut. Nextel is continuing its participation in numbering issues by filing these comments on the Commission's number portability proposal. As a new entrant wireless provider in the emerging Commercial Mobile Radio Services ("CMRS") marketplace, Nextel has a significant interest in the outcome of the Commission's decision in this proceeding.

### III. DISCUSSION

#### A. Telephone Number Portability Benefits Consumers By Contributing To The Development Of A Competitive Telecommunications Marketplace

Nextel supports the Commission's tentative conclusion that telephone number portability is in the public interest because it will help to increase competition in both the wireline and wireless marketplaces. Most important in increasing competition is "service provider" portability, which allows a customer to change its service provider without having to change its telephone number.<sup>4/</sup> Customers are reluctant to change service providers if they also

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<sup>4/</sup> The Commission identified three types of portability in the NPRM. One, service provider portability, which allows the customer to change service providers without changing telephone numbers. Two, location portability, which allows a customer to change locations without changing telephone numbers. Three, service portability, which permits a customer to change the type of service it is receiving from a provider without changing telephone numbers. NPRM at para. 13.

have to change their telephone number, thereby hindering competition. End user options of quality, price and service are the basis for competition in the marketplace. Number portability creates a broader range of options, which enables all service providers to implement strategies to capitalize on these new market opportunities, thereby increasing competition.

Location portability adds significant complexity to the number portability solution, and it can currently be accomplished on a national basis through 500 SACs. However, it could be competitively beneficial, and it would more fully meet customers' needs, to provide location portability on a local (e.g., metropolitan area) level by permitting customers to move "across town" without having to change their telephone numbers (whether or not they changed service providers). Customers needing ongoing location portability beyond the local service area could continue to rely on non-geographic telephone numbers such as the 500 and 700 services.

**B. The Commission's Ultimate Number Portability Solution Must Fulfill A Number Of Fundamental Principles**

The Commission should evaluate alternative number portability solutions against a number of fundamental principles that will ensure a number portability plan that advances the public interest. First and foremost, the number portability solution must be (a) consistent throughout the nation and (b) support all industry segments, i.e., incumbent CMRS providers, new entrant CMRS providers, interexchange carriers, local exchange carriers ("LECs"), and competitive access providers ("CAPs"). Number



portability must be available by and between all types of service providers, e.g., a LEC-based number must be interchangeable not only with a CAP but also a wireless provider.

Second, number portability should be implemented in a manner that will minimize expense, optimize functionality, and provide a phased transition plan that is based on market size and demand. Interim number portability solutions, for example, are likely to hinder efficient implementation of long-term portability. Similar to the industry's comments in the Enhanced 911 proceeding, interim solutions that are not designed as stages toward final resolution are a waste of time and resources.<sup>5/</sup>

Rather than spending time and effort to develop interim plans and then flash-cutting to a permanent number portability solution, Nextel suggests that the Commission implement a phase-in approach by initiating number portability in larger metropolitan areas and then expanding out from those urban centers. This is consistent with previous Commission action, i.e., cellular licensing in Metropolitan Statistical Areas ("MSAs") and then in Rural Service Areas ("RSAs"), and it will facilitate more efficient implementation of number portability in those areas where there is the greatest demand.

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<sup>5/</sup> Remote Call Forwarding and Flexible Direct Inward Dialing, for example, are "brute force" approaches to number portability that add significant cost to the service providers, demand inefficient use of the network's resources, prohibit access to custom calling features and do not easily convert to long-term number portability solutions.

For example, the Commission could require that service provider number portability be available first in the most populous areas throughout the U.S. -- in the top 100 MSAs, for example. From there, portability could be expanded to the regional, and finally, to the national level. The initial areas of portability availability, or "islands" of portability service, could be capable of interworking with the Public Switched Telephone Network ("PSTN") and with carriers outside the "island" without interrupting current day-to-day business practices. As number portability spreads from one island to another, the supporting PSTN network, using advanced intelligent network ("AIN") capabilities, could network the number portability call routing information making it available between the islands. As the number of participating islands increases, number portability would spread and evolve into a national number portability solution.

Third, the Commission's portability solution must be one that conserves NANP numbering plan resources by efficiently using telephone numbers. Telephone numbers are quickly depleting throughout the Nation with the ever-increasing use of new technologies, i.e., fax machines, modems, mobile and portable telephones, and pagers, among others. Number portability has the potential to curb this depletion, i.e., permitting the transfer of telephone numbers between central office codes may make more efficient use of such numbers, thereby slowing number exhaust.

Fourth, the Commission must avoid the creation of a monopoly that allows one industry, one industry segment, or one industry

participant to control number portability among carriers. For example, the Commission should avoid establishing a framework that would permit a wireline carrier to offer number portability to their affiliated wireless companies only, while denying portability to competing wireless providers.

Fifth, number portability should not degrade the services currently provided customers. There must be seamless service between carriers with no significant increase in call processing time, no reduction in available services, and no loss of features such as Caller ID, 911 access or other enhanced services.

Finally, the Commission must consider the significant technological, licensing and historical differences between the wireline and wireless industries. As Nextel has demonstrated in other proceedings, the wireless industry is significantly different than the wireline industry, thus requiring different approaches to similar issues.<sup>6/</sup> The most obvious difference continues to be the level of competition in each: the wireline local loop (at which number portability is particularly directed) consists of essentially one provider while the wireless industry offers consumers numerous choices among many providers. While not yet fully competitive, the barriers to entry in the wireless market are significantly lower than in wireline markets.

Moreover, the technological differences between the wireline and wireless industries are significant. In the wireline market,

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<sup>6/</sup> See, e.g., Comments of Nextel, filed September 12, 1994, in CC Docket No. 94-54, arguing that equal access obligations are not necessary in a wireless industry with numerous providers.

every provider offers its services using the same technological platform, thus easing the development of a number portability solution. On the other hand, the wireless industry has no standard technology or signalling protocol.<sup>7/</sup>

An integral part of the portability solution will involve the ability of one system to "communicate" with another to determine whether the telephone number has been moved to another provider so it can then route the number to the appropriate system. Similar to the problems which the Commission has recognized with roaming among the differing technologies in the wireless industry, these different technologies and protocols cannot "communicate" with one another. While one cellular system may be compatible with another cellular system since they all operate under the IS-41 standard, it is not necessarily compatible with, for example, a Personal Communications Service provider employing a GSM-based technology. Numbering portability implementation, while important, must preserve opportunities for implementing new CMRS technologies and services.

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<sup>7/</sup> Wireless providers use differing air interfaces and technology platforms, e.g., IS-41, GSM, etc., which lack common signalling protocols. This is a direct result of the Commission's effort to encourage development of diverse competitive services employing various technologies offering consumers different combinations of services, price and quality. See Third Report and Order, GN Docket No. 93-252, 9 FCC Rcd 7988 (1994) ("we are striving to establish a regulatory framework that promotes competition and technological innovation in the wireless marketplace.").

C. Number Portability Must Be Implemented Through a Joint Effort

The Commission should not establish a particular date for implementation of number portability at this time. Until an all-industry number portability solution is established, the Commission and the industry cannot determine the amount of time needed to implement it. Rather, the Commission should set a deadline for arriving at an industry-developed number portability solution, including, at a minimum, service provider portability within local markets. The Commission should establish guidelines, including the principles outline above, for the industry committee to follow in developing a solution.

The recently-created North American Numbering Council ("NANC") could be utilized to oversee the development of a number portability solution and ensure that the ultimate plan does fulfill these principles. The NANC also could oversee the appointment of an independent number portability administrator to govern the numbering database that will be required to provide telephone number portability.<sup>g/</sup>

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<sup>g/</sup> Once the plan is developed and the Commission has established an implementation schedule, the Commission should maintain a close oversight role in the implementation process given the conflicting interests of incumbents and new entrants. Number portability will lower existing entry barriers, thereby increasing the competitiveness of new entrants, and decreasing the market presence of incumbents. It will therefore not be in the business interest of incumbents to introduce number portability and thereby strengthen the position of their competition. Naturally, incumbents will have an incentive to hinder or delay number portability, thus necessitating a significant Commission oversight role.

Finally, the Commission's role in assuring nationwide standards is vital to a workable number portability solution. Multiple technical standards will create additional complexities and impose additional, unnecessary costs for service providers, particularly those attempting to implement nationwide telecommunications systems. Moreover, under a state-by-state approach, there is a potential for overlap of effort, inconsistencies of interoperability between dissimilar portability solutions, as well a significant administrative burden that would place an unnecessary burden on end users, telecommunications providers and regulatory agencies. Thus, the only assurance that number portability will be provided in an efficient and effective manner is a national policy developed through industry consensus and overseen by the Commission.

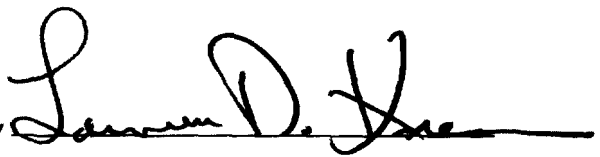
#### **IV. CONCLUSION**

Telephone number portability is in the public interest as it will benefit consumers by allowing them to change service providers, and potentially their location, without a corresponding change in telephone numbers. The result is an increase in competition by lowering entry barriers and permitting an influx of new competitors. Although complicated, number portability solutions are feasible, but they are best achieved through industry consensus and Commission oversight. Thus, Nextel submits that the Commission should leave the final technical decisions to an industry committee with participation by all industry segments operating under Commission-prescribed numbering portability

guidelines. This will ensure an expeditious number portability solution that encompasses all industry providers -- wireline and wireless, and incumbents and new entrants.

Respectfully submitted,

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